

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 014799

11

ORIGIN SP-02

INFO OCT-01 AF-06 ARA-06 EA-06 NEA-09 ISO-00 SS-15 PC-01

AID-05 NSC-05 OMB-01 ABF-01 CU-02 TRSE-00 L-02 H-01

CIAE-00 INR-07 NSAE-00 RSC-01 /071 R

DRAFTED BY P:PMARTINEZ:S/P:WKONTOS:BDF

APPROVED BY THE SECRETARY

ACTION - MR. PEREZ

S/S - O:LMATTESON

P:JJSISCO

----- 120423

R 220739Z JAN 75

FM SECSTATE WASHDC

TO AMCONSUL BELIZE

AMEMBASSY BRASILIA

AMEMBASSY SANTIAGO

AMEMBASSY BOGOTA

AMEMBASSY SAN JOSE

AMEMBASSY SANTO DOMINGO

AMEMBASSY TEGUCIGALPA

AMEMBASSY KINGSTON

AMEMBASSY MANAGUA

AMEMBASSY ASUNCION

AMEMBASSY CARACAS

AMEMBASSY QUITO

AMEMBASSY SAN SALVADOR

AMEMBASSY GUATEMALA

AMEMBASSY BRIDGETOWN

AMEMBASSY RABAT

AMEMBASSY TUNIS

AMEMBASSY MANAMA

AMEMBASSY SANAA

AMEMBASSY MUSCAT

AMEMBASSY KATHMANDU

AMEMBASSY NEW DELHI

AMEMBASSY TEHRAN

AMEMBASSY KABUL

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 014799

AMEMBASSY GABORONE

AMEMBASSY BUJUMBURA
AMEMBASSY YAOUNDE
AMEMBASSY BANGUI
AMEMBASSY NDJAMENA
AMEMBASSY COTONOU
AMEMBASSY ADDIS ABABA
AMEMBASSY LIBREVILLE
AMEMBASSY BANJUL
AMEMBASSY ACCRA
AMEMBASSY ABIDJAN
AMEMBASSY NAIROBI
AMEMBASSY MASERU
AMEMBASSY MONROVIA
AMEMBASSY BLANTYRE
AMEMBASSY BAMAKO
AMEMBASSY NOUAKCHOTT
AMEMBASSY PORT LOUIS
AMEMBASSY NIAMEY
AMEMBASSY LAGOS
AMEMBASSY KIGALI
AMEMBASSY DAKAR
AMEMBASSY FREETOWN
AMEMBASSY MBABANE
AMEMBASSY LOME
AMEMBASSY OUAGADOUGOU
AMEMBASSY KINSHASA
AMEMBASSY SEOUL
AMEMBASSY KUALA LUMPUR
AMEMBASSY MANILA
AMEMBASSY BANGKOK

LIMITED OFFICIAL USE STATE 014799

E.O. 11652: N/A

TAGS: EAID

SUBJECT: PEACE CORPS 1976 BUDGET

REF: STATE 236947

1. THE FOLLOWING ARE THE DEPARTMENT'S VIEWS ON THE ISSUES
RAISED BY A REDUCED FY 1976 PEACE CORPS BUDGET WHICH HAVE,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 014799

WITH ACTION CONCURRENCE, BEEN CONVEYED TO OMB.

2. IN ORDER TO CONTINUE PEACE CORPS ACTIVITIES AT THEIR
PRESENT LEVELS, ACTION HAS PROPOSED THAT HOST GOVERNMENTS
INCREASE THEIR CONTRIBUTIONS FOR PEACE CORPS PROGRAMS FOR
FY '76 BY 8 MILLION DOLS. IN RESPONSE TO REFTTEL, SOME OF
OUR POSTS HAVE POINTED OUT THAT EFFORTS HAVE ALREADY BEEN
SUCCESSFUL IN OBTAINING INCREASED CONTRIBUTIONS, BOTH IN

CASH AND IN KIND, WHICH TRANSLATES INTO MONEY; THAT INFLATION IS A SERIOUS PROBLEM; THAT THE HOST COUNTRY'S NEXT BUDGET IS EITHER A FAIT ACCOMPLI OR TOO FAR ALONG TO CHANGE WITHOUT DIFFICULTIES THAT WILL CAUSE A RESENTMENT DETRIMENTAL TO THE UNITED STATES; THAT GENERALLY THE PEACE CORPS VOLUNTEERS ARE BENEFICIAL TO AID PROGRAMS, PARTICULARLY THOSE IN AGRICULTURE AND HEALTH SECTORS. GIVEN THESE CIRCUMSTANCES, THE MAJORITY OF THE POSTS FAVOR A GRADUAL PHASE-DOWN OF THE PEACE CORPS PROGRAM RATHER THAN

SEEKING AN INCREASED CONTRIBUTION FROM THE HOST GOVERNMENT.

3. IT IS THE STATE DEPARTMENT'S VIEW, BASED ON THE FIELD REACTIONS THAT AN ACROSS-THE-BOARD FORMULA-DERIVED INCREASE

IN HOST COUNTRY CONTRIBUTIONS COULD, IN MANY CASES, BE DETRIMENTAL TO OUR FOREIGN POLICY OBJECTIVES. THE DEPARTMENT FEELS THAT PEACE CORPS PROGRAMS SHOULD BE REVIEWED ON A COUNTRY-BY-COUNTRY BASIS TO DETERMINE THE MOST EFFECTIVE WAY TO ACHIEVE SAVINGS WITHOUT DAMAGING OUR FOREIGN POLICY INTERESTS. WHERE HOST GOVERNMENTS WOULD APPEAR TO BE WILLING TO INCREASE THEIR CONTRIBUTIONS TO PEACE CORPS ACTIVITIES, THIS SHOULD, OF COURSE, BE DONE. WHERE AMBASSADORS AND PEACE CORPS REPRESENTATIVES BELIEVE THAT A HOST COUNTRY CANNOT INCREASE ITS DOLLAR EQUIVALENT CONTRIBUTION, WE SHOULD LOOK AT THE POSSIBILITY OF INCREASING CONTRIBUTIONS IN KIND. WHERE NO INCREASE SEEMS POSSIBLE AND A DEMAND FOR GREATER CONTRIBUTIONS MIGHT LEAD TO UNDESIRABLE CONSEQUENCES, THE DEPARTMENT PROPOSES THAT ACTION CONSIDER A REDUCTION IN THE SIZE OF THE PROGRAM RATHER THAN A REQUEST FOR INCREASED HOST COUNTRY SUPPORT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 014799

4. OVER THE NEXT TWO TO THREE MONTHS PEACE CORPS WILL BE PREPARING ITS ASSESSMENT OF HOW TO BEST COPE ON A COUNTRY-BY-COUNTRY BASIS WITH A REDUCED BUDGET. MISSIONS SHOULD ASSIST PEACE CORPS COUNTRY DIRECTORS IN THIS ASSESSMENT, AND, AS APPROPRIATE, REPORT TO THE DEPARTMENT SIGNIFICANT DEVELOPMENTS. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LESS DEVELOPED COUNTRIES, BUDGETS, VOLUNTARY AGENCIES, FINANCIAL CONTRIBUTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: WorrelSW
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE014799
Document Source: CORE
Document Unique ID: 00
Drafter: PMARTINEZ:S/P:WKONTOS:BDF
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750023-1049
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750132/aaaabcjz.tel
Line Count: 160
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SP
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 236947
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2003 by ElyME>; APPROVED <18 NOV 2003 by WorrelSW>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PEACE CORPS 1976 BUDGET
TAGS: EAID, EFIN, US, PC
To: BELIZE MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006